

CONFIDENTIAL PRELIMINARY DRAFT – DO NOT RELEASE

1. Bay Delta Conservation Plan

The BDCP is critical to achieving a long-term solution for the Bay-Delta that addresses the co-equal goals of Bay-Delta ecosystem restoration and water supply reliability. The BDCP is being developed as a habitat conservation plan (HCP) under the Federal Endangered Species Act (ESA) and as a Natural Community Conservation Plan (NCCP) under the California Natural Community Conservation Planning Act (NCCPA) to restore habitat for Delta fisheries and improve the overall ecological health of the Delta. As part of its conservation strategy, the BDCP includes construction of a new facility that would convey water under, around, and/or through the Delta to the Federal and State pumping plants in the southern Delta.

Significant progress has been made over the last three years among numerous stakeholders towards development of the BDCP, and extensive public outreach efforts have been made. However, many of the most difficult decisions about the BDCP have yet to be made – for example, the specifics of the proposed project, the permit applicants, ownership and governance of the conveyance facility, and the nature of assurances available to the water contractors all have yet to be determined. In addition, the importance of the BDCP to the public in general, water users north and south of the Delta, Delta residents, and the unique Delta ecosystem warrants a continued and reinvigorated public outreach process over the next several months as the public review draft of the BDCP is completed.

In recognition of the critical and pressing need for a long-term solution, the Federal and State agencies will move forward expeditiously to develop and release to the public a complete draft BDCP by mid-December of 2010. A final draft of the BDCP will be released at a later date for public review and comment, concurrent with the release of the Draft EIR/EIS. In order to meet a mid-December 2010 completion date for the draft BDCP, the following actions will need to be completed by the Lead Agencies on or before the dates shown on the schedule below.

A. Action: Develop Draft Bay Delta Conservation Plan -- proposed milestones

- Identify a specific, detailed timeline for developing the draft BDCP consistent with the dates in this schedule, including a commitment to adjust the timeline and completion dates if significant intermediate deadlines are missed. Timeline will include a process and schedule for public involvement, comment, and review of the BDCP including potential bi-monthly public meetings to provide updates (end of February).
- Identify threshold assumptions to be incorporated in BDCP analysis, including: (1) pertinent requirements in the recently-enacted State water legislation and the results of other relevant scientific reviews, including: NAS review; SWRCB public trust Delta flow analysis (required by State legislation); DFG biological performance

standards (required by State legislation); and any EPA analysis or review of flow requirements; and (2) proposed conveyance or conveyance options, including conceptual approach regarding the size, location and timing of construction of the conveyance facility, and the ownership, operation and governance of the conveyance facility (end of March).

- Identify the process and timeline to integrate independent scientific input and review of BDCP, including Delta Science Program review of the BDCP effects analysis, and NAS review of the adequacy of the use of adaptive management in the BDCP (end of March).
- Identify parties responsible for BDCP implementation, the identity of the HCP/NCCP permit applicants, and the nature and extent of Section 7 and/or Section 10 (e.g., "no surprises" assurances/incidental take protection) actions under the ESA (end of March).
- Identify the logic chain and quantified biological objectives to be included in the Draft BDCP (end of April).
- Complete the effects analysis on operations and flows for the Draft BDCP and identify the structure and implementation of adaptive management program (end of May).
- Identify implementation plan for the habitat restoration component of the Draft BDCP (end of July).
- Identify required elements of a joint Federal-State refugium/science center (end of July).
- Complete draft of BDCP, including Implementing Agreement: identify timeline for release of the public review Draft BDCP to coincide with release of the Draft EIR/EIS and for completion of permitting process for BDCP HCP (mid-December).

B. Action: Develop Draft EIR/EIS for the Bay Delta Conservation Plan -- proposed milestones

Federal and State agency action to approve the BDCP requires compliance with Federal and State environmental review requirements. Under the National Environmental Policy Act (NEPA), an Environmental Impact Statement (EIS) is required to analyze the impacts of permitting and implementing the BDCP as an HCP. Similarly, under the California Environmental Quality Act (CEQA), an Environmental Impact Report (EIR) is required to analyze the impacts of permitting and implementing the BDCP as an NCCP. The Federal and State lead agencies have made considerable progress toward the development of a joint EIR/EIS, but because of the complexity of

the BDCP itself, much work remains to complete the draft EIR/EIS prior to its release for public review and comment. The Federal and State lead agencies will pursue the development of the Draft EIR/EIS to be released for public comment as expeditiously as practicable, and will take the necessary actions to complete the Administrative Draft EIS in accordance with or before the dates identified below.

- Execute Third-Party Agreement among the Departments of the Interior and Commerce, DWR, and the EIR/EIS contractor; complete framework document for screening criteria (mid-February).
- Accept of Draft Scoping Report as final; agreement on a specific, detailed timeline consistent with the dates in this schedule for development of the Draft EIR/EIS, including a commitment to adjust the timeline and completion dates if significant intermediate deadlines are missed (end of February).
- Agree on Cooperating Agency roles and responsibilities in the development of the EIR/EIS and completion of Cooperating Agency MOUs (mid-March).
- Agree on key elements of the EIR/EIS, including purpose and need statement, screening criteria, baseline conditions, and analytical approaches to cumulative effects and climate change analyses (end of March).
- Agree on alternatives to be fully analyzed in the EIR/EIS (mid-May).
- Review schedule in light of the alternatives selected for analysis to be included in the EIR/EIS and if necessary, make adjustments to the timing of the subsequent actions in the schedule (mid-June).

[The timing of the following items is contingent on the results of the review described in the preceding action].

- Complete key portions of the EIR/EIS that are not dependent on the effects analysis (e.g., Chapter 2 - Purpose and Need/Project Objectives, Chapter 3 - Proposed Project and Alternatives, Chapter 4 - Affected Environment) (mid-July)
- Complete agency technical review of completed portions of the Draft EIR/EIS; and complete consultant preparation of remaining portions of the Draft EIR/EIS that are contingent upon completion of the effects analysis (mid-October).
- Complete agency technical review of remaining portions of Draft EIR/EIS (mid-November).
- Complete Administrative Draft EIR/EIS (ADEIR/EIS) (end of December).